Colonel Monroe's Doctrine

The Lincolnville Philosopher Does Not Share the Common Fear That an Industrial Panic Is Impending.

By Frederick Upham Adams.

THERE seems to be a general fear that an industrial panic is about due," observed Judge Sawyer. "I notice hints of it in many of the papers. I hope these croakers are mistaken."

"There never will be another industrial panic such as the ones with which we are familiar," said Colonel Monroe. "The old-fashioned panic is now an impossibility."

"Why do you make that prediction,"

"For the good and sufficient reason that we have installed a new industrial system," replied Colonel Monroe. "The panic of 1873 was typically an industrial panic. There was another one in 1884, but it was of less intensity. The panic of 1893 was of a different character. It was more of a financial or speculative panic than an industrial one. An industrial panic is a stampede of manufacturers and merchants who suddenly make the discovery that there is no market for the wares on hand. As a consequence factories are closed in all parts of the country, millions of workmen are discharged, prices fall, a rush is made on deposit and saving banks—hundreds of which are forced into bankruptcy—and a long period of depression and general suffering follows. It is possible that something may occur to produce all of these effects, but it cannot spring from the same causes. The trusts were specially designed to prevent the recurrence of industrial panics, and I have considerable faith in their efficiency. Trusts and labor unions have reduced the danger from screve industrial panics to a minimum."

"I confess I cannot see how, declared Judge Sawyer.

"Panics are a phenomenon incidental to a purely competitive system of industry," explained Colonel Monroe. "Thirty years ago we enjoyed all of the fruits of competition. Workingmen competed with one another for jobs, until wages dropped to the lowest point at which it was possible to support life. Manufacturers competed for the sale of their products and cut prices to a point where losses were inevitable. Take the steel industry as an example. There were then hundreds of manufacturers of steel products. Each concern went blindly ahead producing goods on a wild chance that a market could be found. In order to exist each manufacturer cut wages to the lowest possible point. The individual manufacturer had no way in which to determine the consuming power of the public, nor had he any method of ascertaining when he and his competitors had reached the danger point of an overproduction of steel commodities. All plunged ahead in the dark. The amount which can be produced depends wholly on the consuming power of the people, and largely on that of the wage workers. It finally sifts itself down to the size of the wage fund. By steadily reducing the wages of their employes, the manufacturers in those glorious days of unrestricted competition eventually succeeded in so curtailing consumption as to force a general suspension of industry and in accomplishing their own ruin. Hence the periodical return of industrial panics with the following years of depression.

"Any man possessed of sufficient intelligence to lead him to go indoors or put up an umbralla when it rains should have understood that the output of factories was fixed by the purchasing capacity of the community. A blow leveled at the wage earner recoiled on the stockholder of an industrial enterprise. A successful conspiracy to depress the price of grains crippled the manufacturer fully as much as it did the farmer. The latter's wife patched up his old clothes, and the cotton and woolen mills went into the hands of receivers. Unless the people can buy back that which they produce, the wheels of industry stop. All of this sounds so obvious as to seem stupid. It is as trite as it is to solemnly insist that three and four are seven, but, despite all this, the average small manufacturer of this country cannot get this idea through his thick skull. Judge, if I should ever obtain possession of a few surplus millions of dollars, I would start a night school for American manufacturers."

"What is the matter with the American manufacturer?" exclaimed Judge Sawyer. "He is generally supposed to lead the world in ability to protect his own interests. He seems to be getting along fairly well without your proposed night school. What would you teach him?"

"I should attempt to teach him not to regard every dollar expended in wages, as money irreparably lost," declared Colonel Monroe. "I should attempt to convince him that his best interests are conserved by combining with other manufacturers for the purpose of maintaining the highest practical rate of wages, rather than striving for the lowest which can be forced on those in his employ. I should attempt to explain to him that he cannot prosper unless his workmen prosper. At the present time he has the opposite idea. He vainly imagines that prosperity must first come to him, and that he will then distribute it in the form of wages which must be gratefully accepted. It is about time that these deluded gentlemen were taught that prosperity depends on the market and not on the mill. It is those who buy and not those who sell who have in their keeping the well-being of the community.

"The average manufacturer imagines that his road to wealth lies in the way of elevating prices to the highest possible point and of depressing wages to the lowest possible scale. Occasionally he can see all advantage in cutting prices, but his one consuming ambition is to reduce his wage fund. He cannot comprehend that in the final analysis his employes are his customers. He cannot discern the plain truth that those who work for him must buy back that which they create. Who else will buy it? If pianos are to be manufactured and sold, a country must have a piano-buying wage scale.

"But what is your piano manufacturer contemplating this very moment? He is to join an association of employers which will start a crusade against 'the tyranny of labor unions.' I am not defending many of the methods of labor unions. Some of them are guilty of petty exactions and of unwarranted use of power, but who taught them their lessons? But our piano manufacturer is really concerned with only one result of trade unionism. It has forced him to pay a higher wage scale. Therefore it must be attacked and if possible destroyed. True, times have never been so prosperous as since organized labor compelled more pay for its members, but that is only a coincidence—thus reasons the intellectual piano manufacturer. The market is active in the piano trade. All that is necessary in order for him to get richer than ever is to cut the wage scale in two, and keep on selling as many or more pianos than before at the same or higher prices.

"And thus arguing, our wise and discerning piano merchant is calling on carriage manufacturers, shoe manufacturers, stock-yard magnates and employes of a hundred other casses to join him in a campaign against the present 'ruinous wage scale.' His war cry is, 'Keep prices up and cut wages down.' He deserves a place in history along side the two famous philosophers, one of whom attempted to lift himself over the fence by tugging at his boot straps, and the second great political economist who killed the goose which laid the golden eggs.

"Luckily our piano manufacturing friend will not succeed in his campaign for a Chinese wage scale. He will continue, for a while at least, to enjoy the benefits of a new system, which, while full of defects is infinitely superior to the one from which we have escaped and to which we shall never revert. If these foolish manufacturers—these capitalistic agitators, as they have been called—should be successful in their efforts to bring about a general and decided reduction in wages, they would precipitate an industrial panic, compared with which those which have preceded would be as nothing. They are blind to all the lessons of the past, and seemingly incapable of reasoning from cause to effect. They cannot comprehend the self-evident truth of the assertion that industrial panics have been caused by an over-production of commodities by competing and unregulated manufacturers, coupled with the inability of wage-earners to secure enough to maintain a market demand for that which had been offered for sale.

"There are three grades of intelligence among manufacturers. Those of the first class have learned the wisdom of organized industry as opposed to competitive capitalistic anarchy. They also accord the same right of organization to their employes. They have come to know that the best results for all concerned will be obtained by selling their output at the minimum of a safe profit, and by paying the highest wage scale possible to a balance on the right side of their ledgers. They do not always do this, but they realize that it is scientifically correct from an economic and business view point. If such a system were generally adopted the menace of industrial panics would be forever removed. The second grade of manufacturing intelligence recognizes the advantages of a combination of employers and affirms their right to thus consolidate, but denies both the advantage and the right on the part of the wage earners. They seem to regard employment as a gift of their bestowing, and assume that their dignity is offended and their prerogatives infringed upon the moment their employes suggest that there is a solidarity of interest which entitles them to consideration. They refuse to 'recognize' a union of those men and women whose loyalty and intelligence makes their success possible. The third class knows nothing and seemingly is incapable of learning anything of the advantages or results of combination for the protection of its own interests or for that of its employes. It possesses an independence akin to that of the sheep which wanders about in the storm rather than seek a common shelter. It spends no useless time in thinking of any problems more intricate than getting the very most it can out of those compelled to work for it. No matter what the future holds in store, this latter class is doomed to speedy and complete extinction.

"I have wandered from my subject a trifle, but the point I wish to make clear is this: The long and uninterrupted period of comparative prosperity this nation has enjoyed has been made possible by an intelligent co-operation between organized industry and organized labor. There are no signs that this alliance is to be disrupted. The unions are strong enough to protect themselves against such plutogogues as have recently been active in stirring up strife. The consuming power of the public is still enormous; it is made so by a high wage scale and a fair rate for the products of farm and plantation. So long as these conditions are not seriously disturbed there can be no industrial panic. The men who seek to combine to generally reduce wages may not know it, but they are traitors to their own best interests, and a menace to the continued prosperity of the nation."

"I believe you are right, Colonel, I honestly do," exclaimed Postmaster Jenkins, who had been listening attentively. "It seems pretty tough to pay a carpenter a dollar a day more than we did a few years ago, but he spends the money for things, and helps keep the factories running and men at work. If wages were cut down he couldn't buy so much, and somebody else would lose his job. The more each man gets the more everybody gets. I can't express it the way you do, but I think I know what you mean, and for once I think you are right. I am going to raise the wages of our hired girl a dollar a week, and sort of help things along."

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Raise Cane Anyhow.

Tobacco raisers are holding meetings the country over. Our hope is that before they are done with it they will either learn to raise the weed profitably or to "raise cane" from one end of the tobacco growing section to the other.

SPECIAL RATES VIA SEABOARD AIR LINE RAILWAY.

Account Southern Educational Association, Atlanta, Ga., December 29, 1903, January 1, 1904.

On account of the above occasion the Seaboard will sell tickets from all stations on its lines to Atlanta and return at rate of one fare, plus $2.25, which includes membership fee. Tickets on sale December 29th, final limit January 3, 1904. For tickets and other information, apply to the undersigned.

H. S. LEARD,
District Passenger Agent,
'Phone 405. Richmond, Va.

WILL MEET ANNUALLY

Survivors of the Crater to Gather Each Anniversary as Long as Handful Last.

IT WAS A UNIQUE AFFAIR

Never Before in History Has a Battle Been Fought Over Again by Same Troops.

(Special to The Times-Dispatch.)

PETERSBURG, VA., Nov 21.—"The Crater Reunion" will bring an annual crowd to Petersburg, for it is the intention of the participants to meet on this famous field each year as long as the ranks can furnish a corporal's guard. The reunion recently held rapidly grew to proportions not dreamed of by those who first proposed the event. There were more than fifteen thousand people on the field that day, and many thousands more would have witnessed the sham battle but for the exceedingly cold, damp weather, following a rainy night and morning.

THOROUGHLY UNIQUE.

The occasion was unique in the annals of history. Never before was a battle reproduced by the participants on the grounds where the real battle was fought. When the next reunion is held there will doubtless be fifty thousand people on the grounds. Distinguished military men throughout the United States and many from Europe, will come. As there were only 1,500 men in the Confederate regiment that made the charge, it would be very easy to have this number take part on the field. The Federal army had forty-five thousand, and their loss was about four times as large as the army that made the charge.

WILL SPRING THE MINE.

With the use of explosives the blowing up of the mine could be reproduced, and there would be a sufficient number of military on hand to adequately represent the Northern Army. It has been suggested that the participants on the Northern side be invited to take part in the next sham battle, and if this were done it is very likely that they would come in large numbers to Petersburg. The grounds are so situated that half a million people could easily see the battle. The next reunion will be held early in October, and for two days. The first day will be taken up with the parade and a celebration that night, followed by the sham battle next day.

Tommy's Thanksgiving.

Tommy was very poor. His mother and father both were dead and he lived with his cousin. He loved to go to school, although he had a long way to walk. One evening as he walked home with his best friend, John Blank, John asked him how he expected to spend his Thanksgiving.

"I don't know," sighed Tommy, "he aint comin' to wauns house, 'cause cousin Sue says he aint got no money."

"You are talking about Santa Claus, and I am talking about Thanksgiving."

"I don't know what you are talking about, but I don't ever have any good time."

"Tommy, we are going to granny's to spend the day and she always has good old turkey." "What is turkey?" asked Tommy, growing more interesting in his Thanksgiving.

"A turkey is a great big old fellow that says "gobble, gobble," and oh, he is so good to eat."

"I aint never seen none of them," said Tommy.

"Well, good-bye Tommy, call me when you go on to school."

"Mamma, Tommy says he never saw a turkey," said John, in a troubled tone, as he reached home. I wish he could go with us to granny's; he doesn't ever have any good time."

"Well, if his cousin will let him, he may go. We have plenty of room in the carriage and I am sure granny would be glad to have him."

"Oh, joy! to think Tommy can go with us. I can ask him when he comes to school."

The next morning John waited patiently for Tommy.

"Oh, Tommy, mama says you may go with us and my, what a nice time we can have."

"John, you are so good. I was just thinking how hard it is to be poor, for we don't have anything to eat but corn bread, and Cousin Sue and Cousin Tom are going to spend the day with Cousin Fannie and she didn't ask me, and she knowed I was there, too." That same evening as they walked home from school together, they talked over their trip to granny's, and John seemed more anxious to go then ever.

"Be ready early in the morning and we will call by after you."

The next morning Tommy was up by daylight and ready to start.

"They are so long coming, I believe I will go to meet them," said Tommy, two hours later.

Before he had gotten far he saw them coming and sat down to wait. He climbed in the carriage and was all smiles to think he was to spend the day with John.

When they reached granny's, Tommy was so delighted, he hardly knew how to keep still. Granny told them she had a lot of hickory nuts and walnuts and that they might have as many as they could gather.

After they had picked up a bushel apiece, they walked about in the big farm yard, having such a nice time they forgot all about the turkeys they were going to have for dinner.

When they were called to dinner and Tommy walked in the large old-fashioned dining-room with the table set with all kinds of good things to eat, Tommy opened his eyes in astonishment.

He ate so much turkey, John asked him if he thought it was good.

"No," said Tommy, "it isn't good, it is 'licious."

And his greatest surprise was when granny handed him a little glass bowl full of pink jelly and a great big piece of chocolate cake, as Tommy said after a water bucket full of jelly and a batter-bread pan full of cake.

After dinner he was too full to play, so he and John went with grandpa to feed the horses and water the cows.

When they started home each with their autumn gatherings, they both declared they had never enjoyed a day so much and that that Thanksgiving would long be remembered.

BERKLEY GREGORY.

Clover, Va.

FRICTION CAUSED BY MANOEUVERING

(Special Cable to The Times-Dispatch. Copyright 1903.)

PARIS, Nov. 21.—The constant military manoeuvres of German army corps near the French frontier are causing considerable friction between the French and German governments, as French citizens are complaining that German troops invade French territory and recklessly trample down the fields. The incident of the German military balloon carrying Captain Hugo von Abercron and three other army officers into French territory made several French generals suspect the German officers of spying. The officers at that time had a narrow escape from a mob, who wanted to lynch them, and the French Minister of Foreign Affairs is said to have asked the German government to guard against these numerous so-called mistakes made by German officers.